

## **INITIAL STATEMENT OF REASONS**

### Title 14 Natural Resources Division 2. Department of Conservation Chapter 5. Division of Recycling

The Department of Conservation (Department), Division of Recycling (Division) proposes to amend sections 2530 and 2535 of Title 14 of the California Code of Regulations (CCR). On October 23, 2008, the Department received a petition from a certified recycling center pursuant to Government Code Section 11340.6, requesting that the Department undertake a rulemaking proceeding to amend the CCR to lower the current 500 pound daily consumer load limit to 150 pounds for aluminum beverage containers and 100 pounds for plastic beverage containers per person per day. The purpose of this action is to help alleviate a problem recycling centers face identifying out-of-state containers being presented for redemption. The proposed amendments would also reduce the required reporting amount on aluminum transactions from 250 pounds to 100 pounds and require plastic transactions of 75 pounds or more to be reported to the Department on a weekly basis. The proposed changes would establish consumer daily load limits that more accurately reflect actual daily consumer transactions with recycling centers. The smaller loads will make it easier for recycling centers to inspect loads and for the Department to monitor recycling centers to aid in identifying fraud. The lower load reporting requirements may demand more time from recycling centers to fill out additional reports, potentially increasing their administrative costs. However, these costs are offset by payments made by the Department to recycling centers to compensate for their administrative costs. The reporting of plastic transactions of 75 pounds or more may be submitted in the same manner already required for aluminum loads. Pursuant to Government Code Sections 11340.6 and 11340.7 of the California Administrative Procedure Act, the Department has granted this petition for rulemaking.

## **SUBCHAPTER 6. RECYCLING CENTERS**

### **Article 3. Accounting and Reporting Requirements**

#### **§ 2530. REPORTING**

Subsection § 2530 (i): This subsection has been amended to change the list that recycling centers maintain and report of purchases of aluminum beverage containers from 250 pounds to 100 pounds and adds a list of purchases of more than 75 pounds of plastic beverage containers.

§ 2535. PAYMENTS TO CONSUMERS, CURBSIDE PROGRAMS, COMMUNITY SERVICE PROGRAMS AND DROPOFF OR COLLECTION PROGRAMS

Subsection 2535 (f): This subsection has been amended to change the daily load limits for material received from any person, operation or entity for aluminum beverage containers from 500 to 150 pounds and the load limits for plastic beverage containers from 500 to 100 pounds.